

services providers are recognized and sought after around the world: Canadian engineering consulting firms rank fourth in total international billings after those in the United States, the United Kingdom and the Netherlands. Canadian law firms are well placed to take advantage of business opportunities worldwide, as Canada functions within the two main law regimes (common law and civil law). Canadian accountancy firms are increasingly moving to develop international alliances in addition to the national or interprovincial affiliations that some have established. Our architectural firms have undertaken projects in areas in which they are recognized world experts (school buildings, airports, Arctic design and construction technology, and office complexes) and are particularly active in the Asia-Pacific region.

Canadian professional services providers benefited greatly from the commitments that Canada obtained from other countries in GATS. Moreover, the ongoing GATS negotiations provide an excellent vehicle to promote greater market access for our professional services, including legal services, accounting, auditing and bookkeeping, taxation services, architectural services, urban planning and landscape architecture services. Canada has asked its trading partners to improve their commitments for professional services by eliminating trade barriers related to, for example, temporary entry regulations, investment and ownership limitations, and nationality and citizenship requirements. These requests have been made, and are being reinforced, in the current market access phase of the GATS negotiations.

Canada is also seeking to improve market access through strengthening the existing GATS disciplines to ensure that measures such as qualification requirements and procedures, technical standards and licensing requirements, are based on objective and transparent criteria. To this end, the World Trade Organization established a Working Party on Domestic Regulations in April 1999, with a mandate to develop any necessary disciplines for professional services (and potentially other services), building on the work done since 1995 by the Working Party on Professional Services. Canada is committed to continuing to work within current and other bodies as appropriate to improve the openness of domestic regulatory regimes.

Another tool to enhance the potential for Canadian exports of professional services is the facilitation of mutual recognition agreement negotiations between Canadian and foreign professional bodies. The government will continue to promote and support the negotiation of such agreements.

## *Issues That Affect Access for Trade in Goods and Services*

### **TEMPORARY ENTRY FOR SERVICES PROVIDERS**

Many Canadian firms export their services to foreign markets around the world. In order to expand their export activities, these businesses require the additional certainty that comes from the development of international rules on trade in services. This is particularly the case with respect to the mobility of people. In today's global economy, companies need to move key personnel to foreign markets on a temporary basis to provide services (e.g. management, executive or specialist) to a subsidiary or affiliate, assist with the sale or delivery of products or services, or consult with clients or negotiate contracts. In addition, individual services providers (i.e. professionals) require access to foreign markets to deliver their services.

Canada is party to several regional, bilateral and multilateral trade agreements: NAFTA, the Canada-Chile Free Trade Agreement (CCFTA), GATS and the Canada-Costa Rica Free Trade Agreement (CCRFTA). These agreements contain labour mobility provisions that promote trade in goods and services, as well as investment, by facilitating the temporary cross-border movement of persons. The provisions apply to the movement of short-term business visitors, intra-company transferees and certain professionals. In addition, NAFTA and the CCFTA facilitate the movement of traders and investors.

Under NAFTA, GATS and the CCFTA, Canada has set aside the labour market test for certain categories of workers. This has been done because the positive impact of facilitating the entry of temporary workers has been assessed as outweighing any negative impacts on the labour market.